

AMENDED IN SENATE AUGUST 22, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1489**

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**Introduced by Committee on Budget (Blumenfield (Chair), Alejo, Bonilla, Brownley, Buchanan, Butler, Cedillo, Chesbro, Dickinson, Feuer, Gordon, Huffman, Mitchell, Monning, and Swanson)**

January 10, 2012

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*An act relating to the Budget Act of 2012. An act to amend Sections 5092, 5093, and 5094.6 of, and to repeal Sections 3628 and 5094.5 of, the Business and Professions Code, to repeal Section 11535 of, and to repeal Article 3 (commencing with Section 11675) of Chapter 6 of Part 1 of Division 3 of Title 2 of, the Government Code, to amend Section 110552 of the Health and Safety Code, to repeal Section 1872.1 of the Insurance Code, to repeal Section 11062 of the Penal Code, and to amend Section 10605.2 of the Welfare and Institutions Code, relating to state government, and making an appropriation therefor, to take effect immediately, bill related to the budget.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1489, as amended, Committee on Budget. ~~Budget Act of 2012.~~ *State boards and commissions.*

*(1) Existing law, the Naturopathic Doctors Act, provides for the licensure and regulation of naturopathic doctors by the Naturopathic Medicine Committee within the Osteopathic Medical Board of California. Existing law also requires the committee to establish a naturopathic childbirth attendance advisory subcommittee to issue recommendations concerning the practice of naturopathic childbirth*

*attendance based upon a review of naturopathic medical education and training, as specified.*

*This bill would repeal the provisions providing for the establishment of this subcommittee.*

*(2) Existing law provides for the licensure and regulation of accountants by the California Board of Accountancy. Existing law requires an applicant for an accountancy license to complete a minimum of 24 semester units in accounting subjects and a minimum of 24 semester units in business-related subjects. Existing law, on and after January 1, 2014, requires an applicant for an accountancy license to complete an additional 10 semester units or 15 quarter units in ethics study and 20 units in accounting study. Existing law establishes the Advisory Committee on Accounting Ethics Curriculum within the jurisdiction of the board to, by January 1, 2012, recommend guidelines for the ethics study requirement to the board.*

*This bill would repeal the provisions establishing the Advisory Committee on Accounting Ethics Curriculum and would make related conforming and technical changes.*

*(3) Existing law establishes the Committee of Executive Salaries, and requires the committee to study issues relating to executive salaries in the private and public sector, and to report to the Legislature on a biannual basis on its findings and recommended changes.*

*This bill would repeal the provisions establishing the committee.*

*(4) Existing law requires the State Department of Public Health to regulate certain types of candy, as defined, and requires the department to convene an interagency collaborative to serve as an oversight committee for the implementation of those provisions and to work with the department in establishing and revising the required standards.*

*This bill would repeal those provisions establishing the interagency collaborative and would make technical and conforming changes.*

*(5) Existing law creates the Fraud Division within the Department of Insurance to enforce specific provisions of law regarding crimes against insured property and insurance fraud reporting. Existing law creates the advisory committee on automobile insurance fraud and economic automobile theft prevention within the division to recommend ways to coordinate the investigation, prosecution, and prevention of automobile insurance claims fraud, and to provide assistance to the division towards implementing the goal of reducing the frequency and severity of fraudulent automobile insurance claims, among other things.*

*This bill would repeal the provisions establishing the advisory committee.*

*(6) Existing law requires the Department of Justice to establish and chair a task force known as the Crime Laboratory Review Task Force to review and make recommendations as to how best to configure, fund, and improve the delivery of state and local crime laboratory services in the future and to report its findings to the Department of Finance and specified legislative committees by July 1, 2009.*

*This bill would repeal the provision establishing the task force.*

*(7) This bill would make various technical and conforming changes.*

*(8) This bill would appropriate \$1,000 from the General Fund to the Department of Finance for administrative costs related to this bill.*

*This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.*

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2012.~~

Vote: majority. Appropriation: ~~no~~-yes. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 3628 of the Business and Professions  
2     Code is repealed.

3     ~~3628. (a) The committee shall establish a naturopathic~~  
4     ~~childbirth attendance advisory subcommittee to issue~~  
5     ~~recommendations concerning the practice of naturopathic childbirth~~  
6     ~~attendance based upon a review of naturopathic medical education~~  
7     ~~and training.~~

8     ~~(b) The naturopathic childbirth attendance advisory~~  
9     ~~subcommittee shall be composed of an equal number of~~  
10    ~~representatives from the clinical and academic settings of~~  
11    ~~physicians and surgeons, midwives, and naturopathic doctors.~~

12    ~~(c) The naturopathic childbirth attendance advisory~~  
13    ~~subcommittee shall review naturopathic education, training, and~~  
14    ~~practice and make specific recommendations to the Legislature~~  
15    ~~regarding the practice of naturopathic childbirth attendance.~~

16    ~~(d) The committee shall make recommendations to the~~  
17    ~~Legislature not later than January 1, 2007. The naturopathic~~  
18    ~~childbirth attendance advisory subcommittee and the committee~~  
19    ~~shall consult with physicians and surgeons, midwives, and licensed~~

1 ~~naturopathic doctors in developing the findings and~~  
2 ~~recommendations submitted to the Legislature.~~

3 *SEC. 2. Section 5092 of the Business and Professions Code is*  
4 *amended to read:*

5 5092. (a) To qualify for the certified public accountant license,  
6 an applicant who is applying under this section shall meet the  
7 education, examination, and experience requirements specified in  
8 subdivisions (b), (c), and (d), or otherwise prescribed pursuant to  
9 this article. The board may adopt regulations as necessary to  
10 implement this section.

11 (b) An applicant for the certified public accountant license shall  
12 present satisfactory evidence that the applicant has completed a  
13 baccalaureate or higher degree conferred by a college or university,  
14 meeting, at a minimum, the standards described in Section 5094,  
15 the total educational program to include a minimum of 24 semester  
16 units in accounting subjects and 24 semester units in business  
17 related subjects. This evidence shall be provided prior to admission  
18 to the examination for the certified public accountant license,  
19 except that an applicant who applied, qualified, and sat for at least  
20 two subjects of the examination for the certified public accountant  
21 license before May 15, 2002, may provide this evidence at the  
22 time of application for licensure.

23 (c) An applicant for the certified public accountant license shall  
24 pass an examination prescribed by the board pursuant to this article.

25 (d) The applicant shall show, to the satisfaction of the board,  
26 that the applicant has had two years of qualifying experience. This  
27 experience may include providing any type of service or advice  
28 involving the use of accounting, attest, compilation, management  
29 advisory, financial advisory, tax, or consulting skills. To be  
30 qualifying under this section, experience shall have been performed  
31 in accordance with applicable professional standards. Experience  
32 in public accounting shall be completed under the supervision or  
33 in the employ of a person licensed or otherwise having comparable  
34 authority under the laws of any state or country to engage in the  
35 practice of public accountancy. Experience in private or  
36 governmental accounting or auditing shall be completed under the  
37 supervision of an individual licensed by a state to engage in the  
38 practice of public accountancy.

39 (e) This section shall become inoperative on January 1, 2014,  
40 but shall become or remain operative if either the educational

1 requirements in ethics study and accounting study established by  
2 subdivision (b) of Section ~~5094~~, ~~Section 5094.5~~, ~~5093~~ and Section  
3 5094.6 are reduced or eliminated or if the practice privilege  
4 requirements of Sections 5096 to 5096.15, inclusive, are amended  
5 or repealed.

6 (f) The amendment to Section 5096.12 made by the act adding  
7 this subdivision shall not be deemed an amendment of that section  
8 for purposes of subdivision (e).

9 *SEC. 3. Section 5093 of the Business and Professions Code is*  
10 *amended to read:*

11 5093. (a) To qualify for the certified public accountant license,  
12 an applicant who is applying under this section shall meet the  
13 education, examination, and experience requirements specified in  
14 subdivisions (b), (c), and (d), or otherwise prescribed pursuant to  
15 this article. The board may adopt regulations as necessary to  
16 implement this section.

17 (b) (1) An applicant for admission to the certified public  
18 accountant examination under the provisions of this section shall  
19 present satisfactory evidence that the applicant has completed a  
20 baccalaureate or higher degree conferred by a degree-granting  
21 university, college, or other institution of learning accredited by  
22 a regional or national accrediting agency included in a list of these  
23 agencies published by the United States Secretary of Education  
24 under the requirements of the *federal* Higher Education Act of  
25 ~~1965~~ 1965, as amended (20 U.S.C. Sec. 1001 et seq.), or meeting,  
26 at a minimum, the standards described in subdivision (c) of Section  
27 5094. The total educational program shall include a minimum of  
28 24 semester units in accounting subjects and 24 semester units in  
29 business-related subjects. This evidence shall be provided at the  
30 time of application for admission to the examination, except that  
31 an applicant who applied, qualified, and sat for at least two subjects  
32 of the examination for the certified public accountant license before  
33 May 15, 2002, may provide this evidence at the time of application  
34 for licensure.

35 (2) An applicant for issuance of the certified public accountant  
36 license under the provisions of this section shall present satisfactory  
37 evidence that the applicant has completed at least 150 semester  
38 units of college education including a baccalaureate or higher  
39 degree conferred by a college or university, meeting, at a minimum,  
40 the standards described in Section 5094, the total educational

1 program to include a minimum of 24 semester units in accounting  
2 subjects, 24 semester units in business-related subjects, and, after  
3 December 31, 2013, shall also include a minimum of 10 units of  
4 ethics study consistent with the requirements set forth in Section  
5 5094.3 and 20 units of accounting study consistent with the  
6 regulations promulgated under subdivision~~(e)~~ (a) of Section  
7 5094.6. This evidence shall be presented at the time of application  
8 for the certified public accountant license. Nothing herein shall be  
9 deemed inconsistent with Section 5094 or 5094.6. ~~The Advisory~~  
10 ~~Committee on Accounting Ethics Curriculum established under~~  
11 ~~Section 5094.5 may determine that a course or a portion of a course~~  
12 ~~satisfies the ethics study requirement.~~ Nothing herein shall be  
13 construed to be inconsistent with prevailing academic practice  
14 regarding the completion of units.

15 (c) An applicant for the certified public accountant license shall  
16 pass an examination prescribed by the board.

17 (d) The applicant shall show, to the satisfaction of the board,  
18 that the applicant has had one year of qualifying experience. This  
19 experience may include providing any type of service or advice  
20 involving the use of accounting, attest, compilation, management  
21 advisory, financial advisory, tax or consulting skills. To be  
22 qualifying under this section, experience shall have been performed  
23 in accordance with applicable professional standards. Experience  
24 in public accounting shall be completed under the supervision or  
25 in the employ of a person licensed or otherwise having comparable  
26 authority under the laws of any state or country to engage in the  
27 practice of public accountancy. Experience in private or  
28 governmental accounting or auditing shall be completed under the  
29 supervision of an individual licensed by a state to engage in the  
30 practice of public accountancy.

31 (e) Applicants completing education at a college or university  
32 located outside of this state, meeting, at a minimum, the standards  
33 described in Section 5094, shall be deemed to meet the educational  
34 requirements of this section if the board determines that the  
35 education is substantially equivalent to the standards of education  
36 specified under this chapter.

37 *SEC. 4. Section 5094.5 of the Business and Professions Code*  
38 *is repealed.*

39 ~~5094.5. (a) There is hereby created within the jurisdiction of~~  
40 ~~the board the Advisory Committee on Accounting Ethics~~

Curriculum. For purposes of this section, “committee” means the advisory committee established under this section.

(b) The committee shall consist of the following 11 members:

(1) One member appointed by the California Public Employees Retirement System.

(2) Two members appointed by the Regents of the University of California. These members shall be professors of business ethics or accounting who have published works on the desirability and potential contents of accounting ethics education.

(3) Two members appointed by the California State University Board of Trustees. These members shall be professors of business ethics or accounting who have published works on the desirability and potential contents of accounting ethics education.

(4) Two members representing the California Community Colleges appointed by the Board of Governors of the California Community Colleges. These members shall be instructors of business ethics or accounting.

(5) The Senate Committee on Rules, the Speaker of the Assembly, and the board shall each appoint one member. The members appointed by the Senate Committee on Rules and the Speaker of the Assembly shall be from organized labor or consumer advocacy organizations.

(6) The Governor shall appoint one California certified public accountant in public practice from a list provided by the California Society of Certified Public Accountants.

(c) The term of a member of the committee shall be at the pleasure of the appointing authority.

(d) The committee shall be subject to the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code).

(e) This section shall remain in effect only until January 1, 2014, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, deletes or extends that date.

SEC. 5. Section 5094.6 of the Business and Professions Code is amended to read:

5094.6. (a) No later than June 1, 2012, the committee shall recommend to the board ethics study guidelines consisting of no less than 10 semester units to be included as a part of the education required under Section 5093. Ethics study may consist of academic

~~1 courses, portions of courses, or independent study offered by  
2 degree-granting universities, colleges, or other institutions of  
3 learning accredited by a regional or national accrediting agency.  
4 Nothing herein shall be deemed inconsistent with prevailing  
5 academic practice regarding completion of units.~~

~~6 (b)~~

~~7 5094.6. (a) The board shall, no later than January 1, 2012, by  
8 regulation, adopt guidelines for accounting study to be included  
9 as part of the education required under Section 5093. In  
10 promulgating these regulations, the board shall consider the views  
11 of the Accounting Education Advisory Committee established  
12 under Section 5094.7.~~

~~13 (e)~~

~~14 (b) No later than six months following the issuance of the report  
15 by the California Research Bureau regarding the Uniform  
16 Accountancy Act's 150-hour rule, the board shall hold a hearing  
17 on the report. At the hearing, the board shall make  
18 recommendations, based on that report, to the National Association  
19 of State Boards of Accountancy and the American Institute of  
20 Certified Public Accountants for ensuring the relevancy of  
21 accountancy education to the modern practice of accounting and  
22 shall approve a plan for the board to seek the adoption of those  
23 recommendations and any others the board may recommend related  
24 to enforcement and Internet disclosure.~~

~~25 (d)~~

~~26 (c) For purposes of this section, the following definitions shall  
27 apply:~~

~~28 (1) Except as provided in subdivision (c), "committee" means  
29 the Advisory Committee on Accounting Ethics Curriculum  
30 established under Section 5094.5.~~

~~31 (2) "Ethics study guidelines" means the guidelines for the study  
32 of ethics adopted for California by the committee and the board  
33 consisting of a program of learning that provides students with a  
34 framework of ethical reasoning, professional values, and attitudes  
35 for exercising professional skepticism and other behavior that is  
36 in the best interest of the investing and consuming public and the  
37 profession. At minimum, it includes academic work or independent  
38 study and shall include a foundation for ethical reasoning and the  
39 core values of integrity, objectivity, and independence consistent  
40 with the International Education Standards-4 of the International~~



~~Accountants Education Standards Board, the International Federation of Accountants Code of Ethics, and the American Institute of Certified Public Accountants Code of Professional Conduct.~~

~~(3) “Accounting “accounting study” means independent study or other academic work in accounting, business, ethics, business law, or other academic work relevant to accounting and business, so as to enhance the competency of students as practitioners.~~

*SEC. 6. Section 11535 of the Government Code, as amended by Chapter 147 of the Statutes of 2012, is repealed.*

~~11535. (a) There is, in the Department of Technology, the Technology Services Board.~~

~~(b) The board shall consist of 13 members, as follows:~~

~~(1) The Director of Technology, who shall serve as the chair of the board.~~

~~(2) The Director of Finance, who shall serve as vice chair of the board.~~

~~(3) The Controller.~~

~~(4) The Secretary of Food and Agriculture, the Secretary of Transportation, the Secretary of the Department of Corrections and Rehabilitation, the Secretary for Environmental Protection, the Secretary of California Health and Human Services, the Secretary of Labor and Workforce Development, the Secretary of the Natural Resources Agency, the Secretary of Business, Consumer Services, and Housing, and the Secretary of Veterans Affairs.~~

~~(5) The Director of Emergency Services.~~

*SEC. 7. Article 3 (commencing with Section 11675) of Chapter 6 of Part 1 of Division 3 of Title 2 of the Government Code is repealed.*

*SEC. 8. Section 110552 of the Health and Safety Code is amended to read:*

110552. (a) The department shall regulate candy to ensure that the candy is not adulterated.

(b) For the purposes of this chapter, “candy” means any confectionary intended for individual consumption that contains chili, tamarind, or any other ingredient identified as posing a health risk in regulations adopted by the office or department.

(c) For purposes of this section, the following terms have the following meanings:

1 (1) “Office” means the Office of Environmental Health Hazard  
2 Assessment.

3 (2) “Adulterated candy” means any candy with lead in excess  
4 of the naturally occurring level. Moreover, candy is adulterated if  
5 its wrapper or the ink on the wrapper contains lead in excess of  
6 standards which the office, in consultation with the department  
7 and the Attorney General, shall establish by July 1, 2006.

8 (3) “Naturally occurring level” of lead in candy shall be  
9 determined by regulations adopted by the office after consultation  
10 with the department and the Attorney General. For purposes of  
11 this section, the “naturally occurring level” of lead in candy is only  
12 naturally occurring to the extent that it is not avoidable by good  
13 agricultural, manufacturing, and procurement practices, or by other  
14 practices currently feasible. The producer and manufacturer of  
15 candy and candy ingredients shall at all times use quality control  
16 measures that reduce the natural chemical contaminants to the  
17 “lowest level currently feasible” as this term is used in subsection  
18 (c) of Section 110.110 of Title 21 of the Code of Federal  
19 Regulations. The “naturally occurring level” of lead shall not  
20 include any lead in an ingredient resulting from agricultural  
21 equipment, fuels used on or around soils or crops, fertilizers,  
22 pesticides, or other materials that are applied to soils or crops or  
23 added to water used to irrigate soils or crops. The office shall  
24 determine the naturally occurring levels of lead in candy containing  
25 chili and tamarind no later than July 1, 2006. The office shall  
26 determine the naturally occurring levels of lead in candy containing  
27 other ingredients upon request by the department or the Attorney  
28 General, and in the absence of a request, when the office determines  
29 that the presence of the ingredient in candy may pose a health risk.  
30 Until the office adopts regulations determining the naturally  
31 occurring level of lead, the Attorney General’s written  
32 determination, if any, including any determination set forth in a  
33 consent judgment entered into by the Attorney General, of the  
34 naturally occurring level of lead in candy or in a candy ingredient  
35 shall be binding for purposes of this section.

36 (4) “Wrapper” means all packaging materials in contact with  
37 the candy, including, but not limited to, the paper cellophane,  
38 plastic container, stick handle, spoon, small pot (olla), and squeeze  
39 tube, or similar devices. “Wrapper” does not include any part of

1 the packaging from which lead will not leach, as demonstrated by  
2 the manufacturer, to the satisfaction of the office.

3 (d) The standards adopted pursuant to paragraphs (2) and (3)  
4 of subdivision (c) shall be reviewed by the office every three-year  
5 to five-year period in order to determine whether advances in  
6 scientific knowledge, the development of better agricultural or  
7 manufacturing practices, or changes in detection limits require  
8 revision of the standards.

9 (e) The department shall do all of the following:

10 (1) Ensure that the candy is not adulterated.

11 (2) Establish procedures for the testing of candy and the  
12 certification of unadulterated candy products. The procedures shall  
13 require candy manufacturers to certify candy as being  
14 unadulterated. The certification shall be based on appropriate  
15 sampling and testing protocols as determined by the office in  
16 consultation with the Attorney General's office.

17 (3) Through its Food and Drug Branch, test the samples of candy  
18 collected pursuant to this article. The department may test any  
19 candy, including candy tested pursuant to paragraph ~~(3)~~ (2) of  
20 subdivision (e) in order to ensure the candy is unadulterated.

21 (4) Adopt regulations necessary for the enforcement of this  
22 article.

23 (5) Evaluate the regulatory process, identify problems, and make  
24 changes or report to the Legislature, as necessary.

25 (f) If the candy tested pursuant *to* paragraph (2) or (3) of  
26 subdivision (e) is found to be adulterated, the department shall do  
27 both of the following:

28 (1) Issue health advisory notices to county health departments  
29 alerting them to the danger posed by consumption of the candy.

30 (2) Notify the manufacturer and the distributor of the candy that  
31 the candy is adulterated, and that the candy may not be sold or  
32 distributed in the state until further testing proves that the candy  
33 is unadulterated.

34 (g) (1) For any candy found to be adulterated, the manufacturer  
35 or distributor may request that the department test a subsequent  
36 sample of candy. The department shall select the candy to be tested.  
37 The cost of any subsequent sampling and testing shall be borne  
38 by the manufacturer or distributor requesting the additional testing.

39 (2) If the candy is found to be unadulterated when it is retested,  
40 the department shall provide the manufacturer or distributor and

1 the county health department with a letter stating that the candy  
2 has been retested and determined to be unadulterated, and that the  
3 sale and distribution of the candy in the state may resume.

4 (3) If the candy is found to remain adulterated when retested,  
5 the manufacturer or distributor may take corrective measures and  
6 continue to resubmit samples for testing until tests prove the candy  
7 unadulterated.

8 ~~(h) The department shall convene an interagency collaborative~~  
9 ~~which is hereby established to serve as an oversight committee for~~  
10 ~~the implementation of this section and to work with the office in~~  
11 ~~establishing and revising the required standards. The interagency~~  
12 ~~collaborative shall be composed of the following members:~~

13 ~~(1) The department.~~

14 ~~(2) The Childhood Lead Poisoning Branch of the department.~~

15 ~~(3) The Food and Drug Branch of the department.~~

16 ~~(4) The office.~~

17 ~~(5) The office of the Attorney General.~~

18 ~~(i) The interagency collaborative may confer with the United~~  
19 ~~States Consumer Product Safety Commission, the United States~~  
20 ~~Food and Drug Administration, recognized experts in the field,~~  
21 ~~representatives of California community environmental justice~~  
22 ~~organizations and candy manufacturers.~~

23 ~~(j)~~

24 ~~(h)~~ (1) The sale of adulterated candy to California consumers  
25 is a violation of this section. Any person knowingly and  
26 intentionally selling adulterated candy shall be subject to a civil  
27 penalty of up to five hundred dollars (\$500) per violation. The  
28 regulations adopted shall provide that funding for this section shall  
29 be met in part or in whole by those penalties, upon appropriation  
30 by the Legislature.

31 (2) In the event that a candy product is found to be adulterated,  
32 the department may recover the costs incurred in the chemical  
33 analysis of that product from the manufacturer or distributor.

34 (3) Except as expressly set forth in this section, nothing in this  
35 section shall alter or diminish any legal obligation otherwise  
36 required in common law or by statute or regulation, and nothing  
37 in this section shall create or enlarge any defense in any action to  
38 enforce that legal obligation. Penalties imposed under this section  
39 shall be in addition to any penalties otherwise prescribed by law.

(4) This section shall not be the basis for any stay of proceedings or other order limiting or delaying the prosecution of any action to enforce Section 25249.6.

*SEC. 9. Section 1872.1 of the Insurance Code is repealed.*

~~1872.1. (a) There is created within the Fraud Division an advisory committee on automobile insurance fraud and economic automobile theft prevention, investigation, and prosecution, as provided in this chapter. The committee shall be composed of the Chief of the Fraud Division, a representative from the Department of Justice, the Department of Motor Vehicles, the Division of Investigation of the Department of Consumer Affairs, the Department of the California Highway Patrol, the Bureau of Automotive Repair, the Parole and Community Services Division of the Department of Corrections, the State Bar of California, the Medical Board of California, the State Board of Chiropractic Examiners, two representatives from local law enforcement agencies, one of whom shall be a prosecutor, and representatives of three insurers assessed pursuant to Section 1872.8, and a representative of a labor organization with members in the automotive repair business.~~

~~(b) The commissioner shall select representatives from local law enforcement agencies from names submitted from local law enforcement agencies. The commissioner shall select one insurer representative from each of the following three categories from nominees submitted by insurers in each category: one representative of insurers with average annual automobile liability premiums in California of less than one hundred million dollars (\$100,000,000) in the preceding three years; one representative of insurers with average annual automobile liability premiums in California between one hundred million dollars (\$100,000,000) and seven hundred million dollars (\$700,000,000) in the preceding three years; and one representative of insurers with average annual automobile liability premiums in California exceeding seven hundred million dollars (\$700,000,000) in the preceding three years. At least one insurer representative shall be employed by an insurer having its principal headquarters in California. Members appointed by the commissioner shall serve at the pleasure of the commissioner. Representatives from other agencies shall be selected by the agencies represented.~~

~~(c) The advisory committee shall elect one of its members annually to chair its meetings. The chair shall conduct quarterly meetings of the committee in California and at such other times as he or she deems appropriate. Members of the committee shall serve without compensation except for expenses incidental to attendance at meetings called by the chair. A report of the committee's activities shall be included in the report required under Section 1872.9.~~

~~(d) The purpose and goals of the advisory committee are as follows:~~

~~(1) Recommend to the Fraud Division and other appropriate public agencies and private sector entities ways to coordinate the investigation, prosecution, and prevention of automobile insurance claims fraud, including economic automobile theft.~~

~~(2) Provide assistance to the Fraud Division towards implementing the goal of reducing the frequency and severity of fraudulent automobile insurance claims (adjusted for population growth and inflation) of 20 percent in urban areas and 10 percent in rural areas of the state within a 24-month period from the effective date of this chapter by utilizing resources set forth in Section 1872.8.~~

~~(3) Assure that preventive, investigative, prosecutive, and data collection efforts undertaken by the Fraud Division pursuant to this chapter are efficient, cost-effective, and complement similar efforts undertaken by law enforcement agencies and insurers.~~

~~(4) Make recommendations for inclusion in the Fraud Division's annual report required by Section 1872.9.~~

~~SEC. 10. Section 11062 of the Penal Code is repealed.~~

~~11062. (a) The Department of Justice shall establish and chair a task force to conduct a review of California's crime laboratory system.~~

~~(b) The task force shall be known as the "Crime Laboratory Review Task Force." The composition of the task force shall, except as specified in paragraph (16), be comprised of one representative of each of the following entities:~~

~~(1) The Department of Justice.~~

~~(2) The California Association of Crime Laboratory Directors.~~

~~(3) The California Association of Criminalists.~~

~~(4) The International Association for Identification.~~

~~(5) The American Society of Crime Laboratory Directors.~~

- 1 ~~(6) The Department of the California Highway Patrol.~~
- 2 ~~(7) The California State Sheriffs' Association, from a department~~
- 3 ~~with a crime laboratory.~~
- 4 ~~(8) The California District Attorneys Association, from an office~~
- 5 ~~with a crime laboratory.~~
- 6 ~~(9) The California Police Chiefs Association, from a department~~
- 7 ~~with a crime laboratory.~~
- 8 ~~(10) The California Peace Officers' Association.~~
- 9 ~~(11) The California Public Defenders Association.~~
- 10 ~~(12) A private criminal defense attorney organization.~~
- 11 ~~(13) The Judicial Council, to be appointed by the Chief Justice.~~
- 12 ~~(14) The Office of the Speaker of the Assembly.~~
- 13 ~~(15) The Office of the President pro Tempore of the Senate.~~
- 14 ~~(16) Two representatives to be appointed by the Governor.~~
- 15 ~~(e) The task force shall review and make recommendations as~~
- 16 ~~to how best to configure, fund, and improve the delivery of state~~
- 17 ~~and local crime laboratory services in the future. To the extent~~
- 18 ~~feasible, the review and recommendations shall include, but are~~
- 19 ~~not limited to, addressing the following issues:~~
- 20 ~~(1) With respect to organization and management of crime~~
- 21 ~~laboratory services, consideration of the following:~~
- 22 ~~(A) If the existing mix of state and local crime laboratories is~~
- 23 ~~the most effective and efficient means to meet California's future~~
- 24 ~~needs.~~
- 25 ~~(B) Whether laboratories should be further consolidated. If~~
- 26 ~~consolidation occurs, who should have oversight of crime~~
- 27 ~~laboratories.~~
- 28 ~~(C) If management responsibilities for some laboratories should~~
- 29 ~~be transferred.~~
- 30 ~~(D) Whether all laboratories should provide similar services.~~
- 31 ~~(E) How other states have addressed similar issues.~~
- 32 ~~(2) With respect to staff and training, consideration of the~~
- 33 ~~following:~~
- 34 ~~(A) How to address recruiting and retention problems of~~
- 35 ~~laboratory staff.~~
- 36 ~~(B) Whether educational and training opportunities are adequate~~
- 37 ~~to supply the needs of fully trained forensic criminalists in the~~
- 38 ~~future.~~
- 39 ~~(C) Whether continuing education is available to ensure that~~
- 40 ~~forensic science personnel are up-to-date in their fields of expertise.~~

1     ~~(D) If crime laboratory personnel should be certified, and, if so,~~  
2     ~~the appropriate agency to assume this responsibility.~~

3     ~~(E) The future educational role, if any, for the University of~~  
4     ~~California or the California State University.~~

5     ~~(3) With respect to funding, consideration of the following:~~

6     ~~(A) Whether the current method of funding laboratories is~~  
7     ~~predictable, stable, and adequate to meet future growth demands~~  
8     ~~and to provide accurate and timely testing results.~~

9     ~~(B) The adequacy of salary structures to attract and retain~~  
10    ~~competent analysts and examiners.~~

11    ~~(4) With respect to performance standards and equipment,~~  
12    ~~consideration of the following:~~

13    ~~(A) Whether workload demands are being prioritized properly~~  
14    ~~and whether there are important workload issues not being~~  
15    ~~addressed.~~

16    ~~(B) If existing laboratories have the necessary capabilities,~~  
17    ~~staffing, and equipment.~~

18    ~~(C) If statewide standards should be developed for the~~  
19    ~~accreditation of forensic laboratories, including minimum staffing~~  
20    ~~levels, and if so, a determination regarding what entity should~~  
21    ~~serve as the sanctioning body.~~

22    ~~(d) The task force also shall seek input from specialized law~~  
23    ~~enforcement disciplines, other state and local agencies, relevant~~  
24    ~~advocacy groups, and the public. The final report also shall include~~  
25    ~~a complete inventory of existing California crime laboratories.~~  
26    ~~This inventory shall contain sufficient details on staffing, workload,~~  
27    ~~budget, major instrumentation, and organizational placement within~~  
28    ~~the controlling agency.~~

29    ~~(e) The first meeting of the task force shall occur no later than~~  
30    ~~December 9, 2007.~~

31    ~~(f) On or before July 1, 2009, the task force shall submit a final~~  
32    ~~report of its findings to the Department of Finance and to the~~  
33    ~~budget and public safety committees of both houses of the~~  
34    ~~Legislature.~~

35    ~~SEC. 11. Section 10605.2 of the Welfare and Institutions Code~~  
36    ~~is amended to read:~~

37    ~~10605.2. If the director believes that a county probation~~  
38    ~~department is substantially failing to comply with any provision~~  
39    ~~of this code or any regulation pertaining to the placement activities~~  
40    ~~required to be performed by the probation department to ensure~~



1 that the needs of wards in placements whose board and care is  
2 funded through the Aid to Families with Dependent Children-Foster  
3 Care program are met, and the director determines that formal  
4 action may be necessary to secure compliance, he or she shall  
5 inform the chief probation officer, the presiding judge of the  
6 juvenile court, and the board of supervisors of that failure. The  
7 notice to the chief probation officer, the presiding judge of the  
8 juvenile court, and board of supervisors shall be in writing and  
9 shall allow the county probation department a specified period of  
10 time, not less than 30 days, to correct its failure to comply with  
11 the law or regulations. If within the specified period the county  
12 probation department does not comply or provide reasonable  
13 assurances in writing that it will comply within the additional time  
14 as the director may allow, the director may take one or both of the  
15 following actions:

16 (a) Bring an action for injunctive relief to secure immediate  
17 compliance.

18 Any county probation department that is found to be failing in  
19 a substantial manner to comply with the law or regulations  
20 pertaining to placement activities required to be performed by the  
21 probation department to ensure that the needs of wards in  
22 placement whose board and care is funded through the Aid to  
23 Families with Dependent Children-Foster Care program are met,  
24 may be enjoined by any court of competent jurisdiction. The court  
25 may make orders or judgments as may be necessary to secure  
26 county probation department compliance.

27 (b) Order the county probation department to appear at a hearing  
28 before the director ~~with the State Social Services Advisory Board~~  
29 ~~Committee on Welfare and Social Services~~ to show cause why the  
30 director should not take administrative action to secure compliance.  
31 The hearing shall be conducted pursuant to the rules and regulations  
32 of the department.

33 If the director determines, based on the record established at the  
34 ~~hearing and the advice of the State Social Services Advisory Board~~  
35 ~~Committee on Welfare and Social Services~~, *hearing*, that the  
36 county probation department is failing to comply with the  
37 provisions of this code or the regulations pertaining to the  
38 placement activities required to be performed by the probation  
39 department to ensure that the needs of wards in placement funded  
40 through the Aid to Families with Dependent Children-Foster Care

1 program are met, or if the State Personnel Board certifies to the  
2 director that a county probation department is not in conformity  
3 with established merit system standards under Part 2.5  
4 (commencing with Section 19800) of Division 5 of Title 2 of the  
5 Government Code, and that administrative sanctions are necessary  
6 to secure compliance, the director may invoke either of the  
7 following sanctions:

8 (1) Withhold all or part of state and federal funds from the  
9 county probation department until the county probation department  
10 demonstrates to the director that it has complied.

11 (2) Assume, temporarily, direct responsibility for fulfilling the  
12 placement activities required by law and regulations to ensure that  
13 the needs of the wards in placement funded through the Aid to  
14 Families with Dependent Children-Foster Care program are met,  
15 until the time as the county probation department provides  
16 reasonable assurances to the director of its intention and ability to  
17 comply. During the period of direct state administrative  
18 responsibility, the director or his or her authorized representative  
19 shall have all of the powers and responsibilities of the chief  
20 probation officer with regard to placement requirements for wards  
21 whose board and care is funded through the Aid to Families with  
22 Dependent Children-Foster Care program, except that he or she  
23 shall not be subject to the authority of the board of supervisors.

24 In the event that the director invokes sanctions pursuant to this  
25 section, the county probation department shall be responsible for  
26 providing any funds as may be necessary for the continued  
27 fulfillment of placement activities as required by law and regulation  
28 for the placement of wards whose board and care is funded through  
29 the Aid to Families with Dependent Children-Foster Care program  
30 administered on behalf of the department in the county probation  
31 department. If a county probation department fails or refuses to  
32 provide these funds, including a sufficient amount to reimburse  
33 any and all costs incurred by the department in performing the  
34 activities required for the placement of wards whose board and  
35 care is funded through the Aid to Families with Dependent  
36 Children-Foster Care program in the county probation department,  
37 the Controller may deduct an amount certified by the director as  
38 necessary for the continued operation of these programs by the  
39 department from any state or federal funds payable to the county  
40 probation department for any purpose.

1 Nothing in this section shall be construed as preventing a county  
2 probation department from seeking judicial review under Section  
3 1094.5 of the Code of Civil Procedure of any final decision of the  
4 director made after a hearing conducted under this section. This  
5 review shall be the exclusive remedy available to the county  
6 probation department for review of the director's decision.

7 Nothing in this section shall be construed as preventing the  
8 director from bringing an action for writ of mandamus or any other  
9 action in court as may be appropriate to ensure that there is no  
10 interruption in the provision of benefits to any person eligible  
11 therefor under the provisions of this code or the regulations of the  
12 department.

13 *SEC. 12. There is hereby appropriated one thousand dollars*  
14 *(\$1,000) from the General Fund to the Department of Finance for*  
15 *administrative costs related to this act.*

16 *SEC. 13. This act is a bill providing for appropriations related*  
17 *to the Budget Bill within the meaning of subdivision (e) of Section*  
18 *12 of Article IV of the California Constitution, has been identified*  
19 *as related to the budget in the Budget Bill, and shall take effect*  
20 *immediately.*

21 ~~SECTION 1. It is the intent of the Legislature to enact statutory~~  
22 ~~changes relating to the Budget Act of 2012.~~